

Novell®

MLA Membership Form

Contract Number (Novell Use Only): _____

This Membership Form (the "Membership Form") is a contract between Novell, Inc. ("Novell") or, if You are a Canadian entity, Novell Canada Ltd. and the customer entity named below ("Customer," "You," or "Your"). Participation in the Master License Agreement ("MLA") Program is subject to all terms contained herein. Upon acceptance of Your Membership Form, Novell will assign a unique MLA number to You.

COMPANY INFORMATION:

COMPANY FULL LEGAL NAME:		ND State Procurement Office division of OMB			
Street Address:		14 th Floor Capitol Tower, 600 E. Boulevard Ave. Dept. 012			
City:	Bismarck	State or Province, Post Code:	ND 58505-0310		
Country:	USA	Telephone:	701-328-2779	Fax:	701-328-1615
Web Site:		www.state.nd.us/csd/spo/			
Customer Contact:		Angie Scherbenske		Position:	Procurement Officer
Address (if different):					
City:		State or Province, Post Code:			
Country:		Telephone:		Fax:	
Email:		ankscherben@nd.gov			
Please specify your organizational relationship to the Prime Customer: Prime Customer <input checked="" type="checkbox"/> Subsidiary <input type="checkbox"/> Parent <input type="checkbox"/> Department/Division/Affiliate <input type="checkbox"/> Agency <input type="checkbox"/> Political Subdivision <input type="checkbox"/>					
Prime Customer's Name:		State of North Dakota			
Prime Customer's MLA Contract Number:					

By signing below, You agree to and confirm the following:

- EULA.** Your license grants and restrictions for the Software are contained in the most current version of the product End User License Agreement ("EULA"). EULAs may be viewed at: <http://www.novell.com/licensing/eula>.
 - Concurrent Term.** Your MLA Term period will be the same as the Term of Prime Customer. Any termination by Prime Customer or any other member will not terminate Your membership under the MLA Program. Should a Prime Customer's membership terminate, You agree that Novell may, upon 30 days written notice and with input from former Prime Customer, designate another member to become the new Prime Customer.
 - Transition of Installed Base.** Your installed base (Novell Software licenses available under the MLA which You purchased outside the MLA) must be transitioned into the MLA through the purchase of Maintenance for the licenses, unless expressly allowed otherwise by Novell. You will pay Maintenance fees for products so transitioned for as long as this agreement remains in effect. To transition licenses that are not at the current product version, You must upgrade, at the discounted Upgrade price, the licenses to the current version before purchasing the required Maintenance.
 - Taxes.** You will pay and bear the liability for applicable taxes, which are based on the sales transaction or turnover, but not taxes based upon Novell's net income or taxes in lieu of net income. If purchases under this Membership Form are sales tax exempt, an exemption certificate for all states that product will be delivered to is required, and must be attached to this application. Sales tax will be charged on all shipments made to any state for which Novell does not have an exemption certificate. Value Added Tax Number (if applicable): _____
 - Delivery.** For delivery from the U.S. to destinations within the U.S.A., delivery terms are FOB Novell's Dock (INCOTERMS 2000). Novell will ship ground only and prepay freight from Novell's Dock to Customer's forwarder or named destination. All other freight arrangements will be billed to You. For delivery from the U.S. to destinations outside the U.S.A., delivery terms are DDU-POE (Delivery Duty Unpaid - Port of Entry) as defined in INCOTERMS 2000. Novell will select a carrier and will prepay shipping and handling charges. You will be responsible for all applicable import duties and value added tax, goods and services tax, or other similar taxes and fees. For delivery within Europe, the Middle-East and Africa ("EMEA"), delivery terms will be Carriage Paid To (C.P.T.) Destination, as defined in INCOTERMS 2000. Novell will select a carrier, prepay the freight and invoice You for freight and any handling costs. Destinations for E.U. countries will be Your nominated delivery point; for non-E.U. countries, destination will be the point of import. The term C.P.T. does not include the payment by Novell of taxes or any applicable import duties.
- Title & Risk of Loss.** For shipment within the United States, title to any deliverables, exclusive of Novell's rights to intellectual property, and risk of loss will pass to You upon delivery to Your carrier. For shipments from the U.S. to outside the U.S., title to and risk of loss will remain with Novell until the shipment arrives at the importing country's entry port (or at a bonded warehouse within Canada or Mexico if Customer so requests shipment). For shipments within EMEA (i.e. originating in Ireland), title to and risk of loss passes to You at the Irish shipment point. If You insure shipment, the insurance will protect Novell's interest until title passes as set forth above. Notwithstanding the above provisions, no title to Master Software is transferred to Customer.
- MLA.** You agree to be bound by the terms contained in this Membership Form and the Prime Customer MLA. If there is any inconsistency between these Membership Form terms and the Prime Customer MLA terms the Membership Form terms will prevail. You agree that it is Your responsibility to read and understand the Prime Customer MLA terms, which will apply to You as described above as if fully negotiated and executed between Novell and You. You further agree to be subject to any changes or amendments to the Prime Customer MLA as executed from time to time between Novell and Prime Customer. You will be responsible to obtain a copy of any such amendments or changes from Prime Customer.

SIGNATURE: Each party confirms that the person signing below is an authorized representative of its respective organization.

NOVELL, INC.Signature: Print Name: Daniel CarrTitle: Contract NegotiatorDate: 6/30/06**CUSTOMER**Signature: Print Name: Angie ScherbenkeTitle: Procurement Officer IIDate: 6-27-06

Please return this Membership Form, along with a copy of your initial purchase order, to:

Novell Contracts & Negotiations
Mailstop: PRV-H-544
1800 South Novell Place
Provo, Utah 84606
FAX: (801) 437-2697 (eFAX) or (801) 861-2855 (Hardcopy)

Master License Agreement

1. **INTRODUCTION.** This Master License Agreement ("MLA" or "Agreement") allows You (the customer entity signing the Membership Form) to obtain software licenses and services from Novell through volume purchasing, which includes discounts and other benefits. The Effective Date of the MLA shall be the date the Membership Form is signed by both entities. At that time, a contract number will be assigned to You. That contract number is personal and may not be disclosed to third parties, except to Your Novell-authorized fulfillment agent.
2. **DEFINITIONS.** Capitalized terms used in this Agreement are defined as follows:
 - 2.1 **Annual Period** means the period beginning on the first day of the month following the Prime Customer's Effective Date and ending one year later, and each consecutive one-year period thereafter while the Agreement remains in effect.
 - 2.2 **Documentation** means any user documentation and manuals (including electronic versions) provided by Novell with a Software product.
 - 2.3 **Price List** means the price list for the MLA Program as published by Novell from time to time. The then-current Price List can be downloaded at <http://www.novell.com/licensing/price.html> or obtained from your local Novell office.
 - 2.4 **Prime Customer** means the first customer entity who enters into the MLA.
 - 2.5 **Qualified Member** means those entities that have an organizational relationship with Prime Customer (e.g., parent companies, subsidiaries, affiliates, departments, agencies, political subdivisions), and submit their own Membership Forms, which are accepted by Novell. The Prime Customer will not be responsible for such Qualified Members, but will be responsible for ensuring Agreement compliance by those related entities that obtain Novell Software and MLA benefits through Prime Customer without submitting their own Membership Form. Any Qualified Member that submitted a completed Membership Form to Novell under the Prime Customer's previous MLA is not required to submit a new Membership Form upon execution of these terms. Upon the Effective Date of this Agreement, such Qualified Members shall be governed by the terms and conditions of this new MLA.
 - 2.6 **Software** means the Novell software product licensed to You under this Agreement.
 - 2.7 **Update** means a fix or compilation of fixes released by Novell to correct operation defects (program bugs) in the Software.
 - 2.8 **Upgrade** means any new version of Novell Software which bears the same product name, including version changes evidenced by a number immediately to either the left or right of the decimal (e.g. for GroupWise 5.5 to 6.0). If a question arises as to whether a product offering is an Upgrade or a new product, Novell's opinion will prevail, provided that Novell treats the product offering the same for its end users generally.
3. **LICENSING.** The license grants and restrictions for the Software are contained in the End User License Agreement ("EULA") accompanying the Software. A copy of the EULA can be obtained at <http://www.novell.com/licensing/eula/>. Subject to Your payment of the applicable fees and compliance with this Agreement and the applicable EULA, Your licenses to use the Software will be perpetual, except as expressly provided otherwise (such as with beta products or products licensed on a subscription basis). To the extent of any conflict between the terms and conditions of this Agreement and the EULA, the terms and conditions of this Agreement will prevail. Ownership of Novell Software is held by Novell, Inc. and/or its licensors. Nothing in this Agreement or any related agreement shall restrict or limit or otherwise affect any rights or obligations You may have, or conditions to which You may be subject, under any applicable open source licenses to any open source code contained in the Novell Software or any third-party licenses for third-party code contained in the Novell Software.
4. **Program Changes.** The MLA Program Guide is available at http://www.novell.com/licensing/program_guide.html and forms an integral part of this Agreement. To the extent of any conflict between the terms of this Agreement and the Program Guide, the terms of this Agreement will prevail. Any changes will apply only to purchases made after the effective date of the changes. If any material change to the Program has an adverse effect on Your participation in it, You will be entitled to terminate Your Agreement by giving written notice to Novell within 30 days after receiving notice from Novell of such a change.
5. **MAINTENANCE.**
 - 5.1 The Maintenance services described in this section (the provision of Upgrades, Updates and Premium Services) are a mandatory part of all Software licenses granted and owned under the MLA Program (including all installations of Linux Products), and Maintenance fees must be paid for such services on all Software licenses for as long as this Agreement remains in effect. During the period for which Maintenance is paid for a license, Novell will provide You with the following benefits for the license.
 - 5.1.1 **Upgrades and Updates.** If Novell commercially releases any Upgrades and/or Updates during the period covered by Your Maintenance, Novell will make such Upgrades and/or Updates available to You within a reasonable period of time after they become commercially available. To obtain Updates and Upgrades, You will need to subscribe, at no extra cost, to Novell's Upgrade notification service available at <http://www.novell.com/licensing/upgrade.html>. You will be entitled to install and use such Upgrades and/or Updates up to the number of licenses for which You have purchased Maintenance. Use of Upgrades is subject to the restrictions of the EULA provided with the Upgrade.
 - 5.1.2 **Premium Services.** Novell will provide Premium Services as described in the then-current, region-specific, Premium Service Guide published on <http://www.novell.com/services/premium/>, the terms of which are incorporated into this Agreement. The level of Premium Services to which Customers are entitled during an Annual Period is determined by the accumulated Maintenance fees paid by all Qualified Members for that Annual Period. You may upgrade that level of service to suit Your needs by purchasing optional technical support services as provided in section 6 below.
 - 5.2 **Installed Base.** Your installed base (Novell Software licenses available under the MLA Program which You purchased outside the MLA Program) must be transitioned into the MLA Program (be licensed under this Agreement at the product's most current version and receive Maintenance) through the purchase of Maintenance for the licenses, unless expressly allowed otherwise by Novell. You will pay Maintenance fees for products so transitioned for as long as this Agreement remains in effect. To transition licenses that are not at the current product version, You must upgrade, at the discounted Upgrade price, the licenses to the current version.
 - 5.3 **Ordering Maintenance.** Unless the Price List allows You to purchase multi-year Maintenance for the relevant Software product, the Maintenance fee will be calculated and paid on an annual basis. All Maintenance fees are paid in advance. Each Maintenance period shall expire at the end of each Annual Period (or the end of the multi-year period), no matter when during such Annual Period the Maintenance was purchased. The initial Maintenance fee for a license will be calculated, on a pro rata basis, from the first day of the month following the earlier of: (a) submission of the purchase order or the Novell Order Form, or (b) making of a Software copy, through the end of the then-current Annual Period.
 - 5.4 **Ongoing Maintenance.** While this Agreement remains in effect, You must order Maintenance on all product licenses by the start of the new Annual Period and pay the applicable Maintenance fee.
 - 5.5 **Refunds.** If this Agreement is terminated because of Novell's breach under section 8.2 below, Novell will refund any Maintenance fees paid for the time period past the first day of the month following the termination date. Maintenance fees are not refundable unless expressly stated otherwise.
6. **OPTIONAL SERVICES.**
 - 6.1 **Support, Consulting or Education Services.** Your optional purchase and Novell's delivery of Services, such as technical support, consulting or education ("Services") under the Agreement, are subject to the following terms, unless otherwise agreed in a separate agreement specifically covering those Services.
 - 6.2 **Statement of Work.** The parties may choose to enter into a Statement of Work ("SOW") that describes the Services and may cover items such as project scope, code, documentation, media and other objects ("Deliverables"). Any such SOW will be governed by this Agreement's terms.
 - 6.3 **Acceptance.** Upon completion and delivery of the Services, You will have 30 days to notify Novell if the Services fail to comply with the relevant SOW. If Novell is not notified of any problems within this time period, the Services shall be deemed accepted by You.
 - 6.4 **License.** Subject to payment of applicable fees for Services and Deliverables, Novell grants You a nonexclusive, nontransferable, worldwide, perpetual, royalty-free license to use, reproduce, display and distribute the Deliverables internally within Your organization. All proprietary rights notices must be faithfully reproduced and included on all copies. Except as expressly provided otherwise in this Section, Novell (and/or its licensors) retains on an exclusive basis all right, title and interest in and to any intellectual property developed, delivered and/or used by Novell in the performance of any Services.
 - 6.5 **SOW Continuance.** If a SOW extends beyond the term of the Agreement, this section 6 and sections 8, 9.3, 9.5, and 10 of this Agreement will continue in effect solely with respect to such SOW.
7. **ORDERING AND DELIVERABLES.**
 - 7.1 **Orders.** You must place an order for the appropriate number of Software licenses and associated Maintenance within thirty (30) days after installation, either directly to Novell or through a Novell-

authorized fulfillment agent. A valid order is a purchase order that is either signed by Your authorized representative or generated by Your automated ordering system. Novell's acceptance of an order does not suggest Novell's agreement with the accuracy of the quantities or other information set forth in the order. Novell reserves the right to invoice You in the absence of receiving a purchase order for fees otherwise owing under this Agreement, including for Maintenance fees at the beginning of each Annual Period. If You are unable to issue purchase orders, You must complete and sign a Novell MLA Order Form.

7.2 Price and Product Changes. Novell may revise the Price List at any time to (a) change the list prices for Software, Maintenance, and other services or deliverables, and (b) add or delete Software licenses or other services or deliverables available for purchase. During an MLA Term, however, Your list price for available licenses or Maintenance shall remain at the price published by Novell the first month of such Term (or whenever the product first became published on the price list during the Term). This limited price protection will expire at the end of each Term. Any decrease in list prices will apply to Your orders received after publication of a new Price List. Novell's obligation to protect Your list prices will not apply to third-party branded products, special promotions, licenses and Maintenance invoiced in non-U.S. or non-EURO currency, and does not guarantee product availability for the full Term.

7.3 Master Software. Novell will make available Master Software for the Software products ordered from the Price List. "Master Software" means master media available from Novell from which You may make copies to install the Novell Software up to the number of licenses granted.

7.4 Copying. You may install the Software from Master Software for Your internal use by Your employees (which may include contractors and consultants while performing work for your business), up to the number of licenses granted to You. You must reproduce the Master Software's serial numbers and all proprietary rights notices in any copies You make.

7.5 Payment. All fees will be due and payable in U.S. Dollars within 30 days from the date of invoice. However, for orders requesting shipment and billing to a country whose currency is the Euro or a currency required by the applicable Price List, the purchase orders must be issued, and the fees paid, in Euros or the required currency. Orders issued in response to quotes must correspond to the currency in which the quote was made. Payments made later than the due date will accrue interest from the date due to the date paid at the lesser of the rate of 12% per year or the highest rate allowed by applicable law.

7.6 Taxes. The MLA fees are exclusive of all applicable taxes. You will pay and bear the liability for taxes associated with MLA deliverables, including sales, use, excise, and added value taxes but excluding taxes based upon Novell's net income, capital, or gross receipts, or any withholding taxes imposed such as a withholding tax on a royalty payment made by You where such withholding is required by law, in the event You are required to withhold taxes, You will furnish Novell all required receipts and documentation substantiating such payment. If Novell is required by law to remit any tax or duty on Your behalf or for Your account upon delivery, You agree to reimburse Novell within 30 days after Novell notifies You in writing of such remittance. You will provide Novell with valid tax exemption certificates in advance of any remittance otherwise required to be made by Novell on Your behalf or for Your account where such certificates are applicable.

7.7 Self-Audits. You agree to submit to Novell a self-audit report at the end of each Annual Period. The self-audit must identify all Software use subject to a license, and the number of licenses of Software and Maintenance purchased. If Your self-audit information shows that You are using Software for which You are not licensed, or owe Maintenance, You must submit to Novell a purchase order for the licenses and Maintenance.

7.8 Formal Audits. During the Term of this Agreement and for two years afterward, You must keep complete and accurate records of all Software copying and use. During this period, Novell will have the right, at its expense and upon no fewer than 10 working days prior written notice, to audit Your use of the Software and Your related records and MLA payments. As part of such audit, Novell is entitled to obtain physical and electronic data concerning all Software usage at each of Your offices, regardless of the countries or regions in which Your offices are located (the audit may be at Your facilities or from a remote location, at Novell's option). An audit may be conducted either by Novell or by its authorized representative, will not interfere unreasonably with Your business activities, and will be conducted no more often than once per calendar year, unless a previous audit disclosed a material discrepancy. If such audit shows that You have understated Your actual use of the Novell Software or have otherwise underpaid amounts owing, You must immediately purchase from Novell sufficient licenses and Maintenance to support the actual use and copying and pay all amounts owing. If such audit shows that You have understated Your use of the Novell Software or underpaid amounts owing by more than five percent, You will also pay the reasonable expenses of the audit. Novell will use the information received during the audit solely for the purposes of this Agreement and will honor any applicable privacy/data protection laws and otherwise maintain the confidentiality of such information.

7.8.1 You may request that the formal audit described above be carried out by an independent third party who must be an accountant or qualified auditor approved by Novell. Novell will not unreasonably withhold its approval. In such a case, the expense of the audit will be borne entirely by You. Subject to the provisions of this section, Novell will have the right to determine the audit scope and required audit testing and to review the audit work prior to finalization of the audit.

8. TERM AND TERMINATION.

8.1 Term. This Agreement will begin on the Effective Date and will remain in effect for two consecutive Annual Periods ("Term"), subject to earlier termination as stated below. Qualified Members shall be subject to the same Term as the Prime Customer, but may continue their memberships if, for whatever reason, the Prime Customer's membership terminates earlier. At the end of each Term, this Agreement will renew for an additional Term of two Annual Periods, unless either party gives notice in writing at least 30 days prior to the end of the then-current Term that it does not wish to renew, or unless this Agreement is terminated earlier as provided below.

8.2 Termination for Cause. Either party may terminate this Agreement (and Your MLA membership) upon written notice for the substantial breach by the other party of any material term, if such breach is not cured within 30 days following receipt of written notice of breach from the non-breaching party.

8.3 Effect of Termination. Upon termination of this Agreement for any reason, Your right to acquire MLA licenses or Maintenance will immediately terminate. However, unless Your membership is terminated by reason of Your violation of Novell's intellectual property rights, Your right to continue to use any perpetual licenses will not be affected and You may keep and use Your Master Software to install licenses that You owned prior to termination, including any Upgrades and Updates to which You were entitled under Maintenance.

9. INTELLECTUAL PROPERTY INDEMNIFICATION.

9.1 Scope. Novell will defend any claim brought against You by a third party to the extent it is based on an allegation that a Novell Software product or service deliverable infringes such third-party's patent or copyright of the country in which You take delivery of the Software or deliverable. Novell will pay any damages, costs, and expenses finally awarded (or agreed to by settlement) for any such claim. You must promptly notify Novell of the claim, give Novell control of the defense and related settlement negotiations, and provide Novell with the reasonable assistance (for which Novell shall pay Your reasonable out-of-pocket costs) in defending the claim. If You desire separate legal representation in any such action, You will be responsible for the costs and fees of Your separate counsel.

9.2 Remedies. If a Novell Software product or service deliverable is held to infringe and its use is prohibited or if, in Novell's reasonable opinion, is likely to become the subject of an infringement claim, You will permit Novell, at Novell's option and expense, to (a) procure for you the right to continue to use the Software or deliverable, or (b) replace or modify it so that it becomes non-infringing and has the same or additional functionality and comparable or improved performance characteristics, or (c) upon Your return of the infringing Software or deliverable, refund to You the amount paid for the Software or deliverable.

9.3 Exceptions. Novell will have no obligation of defense or indemnity to the extent the infringement claim arises from (a) Novell's compliance with Your designs, specifications or instructions, (b) use of other than the Software's current release, if the infringement would have been avoided by use of the current release and if the infringement occurs more than 90 days after Novell notifies You that a previous release may infringe, (c) a modification of the Software or deliverable not requested or authorized in writing by Novell, (d) its use or combination with non-Novell software, equipment, or data, other than as specified in the Documentation or otherwise approved by Novell in writing, (e) the furnishing to You of any information, service, or technical support by a third party, (f) non-licensed use of the Software or deliverable, or (g) any Linux-based Software or Software for which Novell does not charge a license fee ("Linux Product"), unless such claim is solely for copyright infringement and You are current on Maintenance for all installations of the Linux Product on the date the infringement claim is tendered to Novell.

9.4 Indemnification Limitation. To the extent allowed by applicable law, Novell's aggregate liability for any infringement claim is limited to the lesser of \$0.5 million or twice the amount paid by You for the Software or deliverable (which amount includes Maintenance fees for Linux Product) giving rise to the claim. This limit does not apply to expenses incurred by Novell in defending the claim.

9.5 Exclusive Remedy. This section 8 states the exclusive obligation of Novell to Customer regarding any claim of infringement or misappropriation of any third party's intellectual property rights.

10. LIMITED WARRANTY.

10.1 Software. Novell warrants that the Software (including Upgrades) will conform substantially to the specifications in the Documentation, provided: (a) the Software is not modified by anyone other than Novell, unless authorized by Novell in writing; (b) You notify Novell in

writing of the nonconformity within 90 days after You first acquire a licensed copy of the Software version; and (c) the Software is installed in a compatible environment. In this section, "conform substantially" means that the Software conforms to the vast majority of all specifications in the Documentation. Novell's only obligation under this warranty, at its option, is to either cause the Software to conform substantially with its specifications or to refund to You the amount paid to license such Software (or, for an Upgrade, the annual Maintenance fee entitling You to the Upgrade) upon Your return of all the Software. In the event of a refund, Your license to use the Software will automatically expire.

10.2 Media and Documentation. Novell warrants that if either the media or the Documentation provided by Novell is in a damaged or physically defective condition at the time of delivery to You and if it is returned to Novell (postage prepaid) within 90 days of delivery, Novell will provide You replacements at no charge.

10.3 Services. Novell warrants that any services purchased under this Agreement will be supplied in a professional manner in accordance with generally accepted industry standards. As files may be altered or damaged in the course of Novell providing technical services, You agree to take appropriate measures to isolate and back up Your systems. This warranty will be effective for 90 days following acceptance of the services. Upon any breach of this warranty, Novell's only obligation, at its option, is to either correct the services so that they comply with this warranty or refund the amount You paid to Novell for the services.

10.4 Non-Novell Products. Novell does not warrant non-Novell products. Any such products are provided on an "AS IS" basis. Any technical or warranty service for non-Novell products is provided by the product manufacturer in accordance with any applicable manufacturer's warranty.

10.5 DISCLAIMER OF WARRANTIES, EXCEPT AS EXPRESSLY SET FORTH IN THESE LIMITED WARRANTY SUBSECTIONS. NOVELL MAKES NO WARRANTY OR REPRESENTATIONS REGARDING ANY SOFTWARE OR SERVICES. TO THE EXTENT ALLOWED BY APPLICABLE LAW, NOVELL DISCLAIMS AND EXCLUDES ALL OTHER EXPRESS, IMPLIED AND STATUTORY WARRANTIES OR CONDITIONS, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, GOOD TITLE, AND NON-INFRINGEMENT. NOVELL DOES NOT WARRANT THAT THE SOFTWARE OR SERVICES WILL BE WITHOUT DEFECT OR ERROR, SATISFY YOUR REQUIREMENTS, OR PROVIDE UNINTERRUPTED USE OF THE SOFTWARE.

11. LIABILITY LIMITATIONS.

11.1 Indirect Damages. TO THE EXTENT ALLOWED BY APPLICABLE LAW, NEITHER NOVELL NOR CUSTOMER WILL BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES WHETHER UNDER CONTRACT OR IN TORT (INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR INTERRUPTION OF BUSINESS, LOSS OF BUSINESS, LOSS OF PROFITS AND LOSS OF USE OF DATA) RELATED TO OR ARISING OUT OF THIS AGREEMENT, EVEN IF THE BREACHING PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THIS SECTION DOES NOT APPLY TO VIOLATIONS BY EITHER PARTY OF THE OTHER PARTY'S INTELLECTUAL PROPERTY RIGHTS.

11.2 Direct Damages. Novell's liability for damages of any type arising out of or related to this Agreement shall be limited to the greater of two (2) times the actual amounts paid by You for the licenses, service, or deliverable in question, or US\$100,000. This subsection does not apply to Novell's liability for intellectual property indemnification described above, nor does it apply to any damages for personal injury or tangible property caused by the negligence or willful default of Novell.

12. GENERAL.

12.1 Choice of Law. The Agreement will be governed by the substantive laws of the State of Utah without regard to its choice of law provisions, unless the laws of the state, province, or country of Your domicile require otherwise, in which case the laws so required will govern.

12.1.1 However, if Your principal residence is in (a) a member state of the European Union or (b) a member state of the European Free Trade Association (c) the Republic of South Africa, or (d) Canada, the governing law is that of the country of Your principal residence (and for Canadian customers, the law of the Province of Ontario). If Your principal residence is in any other country in Europe the applicable law will be the law of the Federal Republic of Germany. If Your principal residence is in the Middle-East or Africa (except South Africa), the applicable law will be the law of England. To the extent allowed by applicable law, the terms of the United Nations Convention on the International Sale of Goods will not apply, even where adopted as part of the domestic law of the country whose law governs the relationship.

12.1.2 Each party will, at its own expense, comply with any applicable law, statute, administrative order or regulation. An action at law under this Agreement may only be brought before a court of

appropriate jurisdiction in the state whose law governs this Agreement under the terms of this Section 11. If a party initiates legal proceedings related to this Agreement, the prevailing party will be entitled to recover reasonable attorney's fees.

12.2 Assignment. Neither party may transfer or assign any right or obligation set forth in this Agreement without the prior written consent of the other. Neither party will unreasonably withhold or delay its consent to an assignment of the Agreement by the other party to another entity in the same group of companies. Either party may, with written notice to the other party, assign the Agreement to the surviving entity in the case of a merger or acquisition.

12.3 Confidentiality Obligations. The receiving party of Confidential Information will exercise reasonable care to protect any Confidential Information from unauthorized disclosure or use. The receiving party may disclose Confidential Information only to its employees or agents with a need to know such information and will inform such employees and agents by way of policy or agreement that they are bound by confidentiality obligations. "Confidential Information" means the terms of this Agreement and any other information that (i) if disclosed in tangible form, is marked in writing as confidential, or (ii) if disclosed orally or visually, is designated orally at the time of disclosure as "confidential." Confidential Information will not include information (a) already in the receiving party's possession without obligation of confidence; or (b) independently developed by the receiving party; or (c) that becomes available to the general public without breach of this Agreement; or (d) rightfully received by the receiving party from a third party without obligation of confidence; or (e) released for disclosure by the disclosing party with its written consent; or (f) required to be disclosed by law, regulation, or court order. These confidentiality obligations will survive three (3) years after expiration or termination of this Agreement. Novell retains the right to use its knowledge and experience (including processes, ideas, and techniques) learned or developed in the course of providing any services to You.

12.4 Publicity. You agree that Novell may use Your participation in the MLA Program as a commercial reference unless You otherwise inform Novell in writing.

12.5 Entire Agreement. This Agreement sets forth the entire agreement and understanding between the parties as to its subject matter. This Agreement supersedes all prior and contemporaneous agreements, proposals and statements on this subject matter. Except as otherwise stated herein, this Agreement may only be modified in a writing signed by authorized representatives of each party. Purchase order terms will not modify the Agreement unless the parties agree otherwise in writing.

12.6 Severability/Waiver. If a provision is invalid or unenforceable, the remaining provisions will remain in effect and the parties will amend the Agreement to reflect the original agreement to the maximum extent possible. No waiver of any contractual right will be effective unless in writing by an authorized representative of the waiving party. No waiver of a right arising from any breach or failure to perform will be deemed a waiver of any future right.

12.7 Notices. Notices to a party must be in writing and sent to the party's address on the Membership Form or such other address as a party may provide in writing. Notices may be delivered in a format reasonably chosen by the notifying party.

12.8 Force Majeure. Neither party will be liable for delay or failure to perform that arises out of causes beyond the reasonable control and without the fault or negligence of such party. A party will give prompt notice of any condition likely to cause any delay or default.

12.9 Survival. The provisions of this Agreement, which by their nature extend beyond termination of the Agreement, will survive termination of the Agreement.

12.10 Intellectual Property Rights/Remedies. Nothing in this Agreement waives or limits extra-contractual rights or remedies available to Novell to protect its rights in the Software, including those available under U.S. copyright law, international treaties, or national copyright and intellectual property laws of the countries in which You may use the Software.

12.11 Export Compliance. Any products or technical information provided under this Agreement may be subject to U.S. export controls and the trade laws of other countries. The parties agree to comply with all export control regulations and to obtain any required licenses or classification to export, re export or import deliverables. The parties agree not to export or re export to entities on the current U.S. export exclusion lists or to any embargoed or terrorist countries as specified in the U.S. export laws. The parties will not use deliverables for prohibited nuclear, missile, or chemical biological weaponry end uses. Please consult the Bureau of Industry and Security web page: www.bis.doc.gov before exporting Novell products from the U.S., and also refer to: www.novell.com/info/exports for more information on exporting Novell software. Upon request, Novell will provide you specific information regarding applicable restrictions. However, Novell assumes no responsibility for your failure to obtain any necessary export approvals.

AMENDMENT 1

Novell Master License Agreement (MLA) Version 7.0 (March 2006)

This Amendment is entered into between Novell, Inc. (Contractor) and the State of North Dakota, acting through its Office of Management and Budget, State Procurement Office (Prime Customer). The parties agree to the following terms and conditions and expressly agree that if any of the following terms and conditions is in conflict with any of the terms and conditions of the MLA, then, notwithstanding any term in the MLA, the following terms and conditions govern and control the rights and obligations of the parties. Any amendments to the MLA and any other amendments must be in writing and executed by each party.

The Master License Agreement is hereby changed as follows:

1. Section 2.5, Qualified Members, is changed to insert the following paragraph after the first paragraph:

Agencies, boards, bureaus, commissions, institutions of higher education of the State of North Dakota, and other North Dakota government and education (public primary and secondary) entities that are authorized to purchase from agreements established for and by the State are eligible to become Qualified Members under this Master License Agreement. This agreement is not a purchase order, and it does not guarantee any purchases will be made by any North Dakota Qualified Member. Each North Dakota Qualified Member is responsible for complying with any laws that regulate its individual purchase authority.

2. Section 7.6, Taxes, is changed to insert the following paragraph after the first paragraph:

The State of North Dakota is not responsible for and will not pay local, state, or federal taxes. The State sales tax exemption number is E-2001, and certificates will be furnished upon request by the Qualified Member.

A contractor performing any agreement, including service agreements, for the United States Government, State of North Dakota, counties, cities, school districts, park board or any other political subdivisions within North Dakota is not exempt from payment of sales or use tax on material and supplies used or consumed in carrying out agreements. In these cases, the contractor is required to file returns and pay sales and use tax just as required for agreements with private parties. Contact the North Dakota Tax Department at 701-328-3470 or visit its website at www.nd.gov.tax for more information.

A contractor performing any agreement, including a service agreement, within North Dakota is also subject to the corporation income tax, individual income tax, and withholding tax reporting requirements, whether the agreement is performed by a corporation, partnership, or other business entity, or as an employee of the contractor. In the case of employees performing the services in the State of

North Dakota, the contractor is required to withhold state income tax from the employees' compensation and remit to the state as required by law.

3. Section 8.1, Term, is modified by replacing the last sentence with the following:

At the end of each Term, this Agreement will renew for an additional Term of two Annual Periods, upon written agreement of both parties, at least 30 days prior to the end of the then-current Term unless this Agreement is terminated earlier as provided below.

4. Insert new Section 8.4, Termination for Lack of Funding or Authority, as follows:

Termination for Lack of Funding or Authority. The Prime Customer may terminate this agreement effective upon delivery of written notice to the Contractor, or on any later date stated in the notice, under any of the following conditions:

- 1) If funding from federal, state, or other sources is not obtained and continued at levels sufficient to allow for purchase of the services or supplies in the indicated quantities or term. The agreement may be modified by written agreement of the parties to accommodate a reduction in funds.
- 2) If federal or state laws or rules are modified or interpreted in a way that the services are no longer allowable or appropriate for purchase under this agreement or are no longer eligible for the funding proposed for payments authorized by this agreement.
- 3) If any license, permit or certificate required by law or rule, or by the terms of this agreement, is for any reason denied, revoked, suspended or not renewed.

Termination of this agreement under this subsection is without prejudice to any obligations or liabilities of either party already accrued prior to termination. Any termination for lack of funding or authority will only terminate the MLA with respect to the affected Customer(s) (i.e., individual state agency or agencies) and will not terminate the entire MLA as a result of an individual Customer's termination.

5. Section 9.1, Scope, is amended to insert the following new paragraph after the first paragraph:

Any attorney that represents the State of North Dakota must first be appointed as a special attorney general by North Dakota's Attorney General pursuant to North Dakota Century Code § 54-12-08.

6. Section 11.2, Direct Damages, is amended to change the first sentence to insert "to the State of North Dakota" after "Novell's liability for damages."

7. Section 12.1, Choice of Law, is deleted in its entirety and replaced with the following:

This agreement is governed by and construed in accordance with the laws of the State of North Dakota. Any action commenced to enforce this Agreement must be brought in the District Court of Burleigh County, North Dakota.

8. Section 12.3, Confidentiality Obligations, is changed to insert a partial sentence and two following sentences:

"Confidential Information" means the terms of this Agreement and any other information that (i) if disclosed in tangible form, is marked in writing as confidential, or (ii) if disclosed orally or visually is designated orally at the time of disclosure as "confidential", provided such information is determined to be protected from mandatory public disclosure under a specific exception to the ND open records law N.D.C.C § 44-04-18. Disclosure of any records, products, services, or other information under this MLA is governed by the open records laws of the State of North Dakota, as amended from time to time. The Prime Customer shall ensure that its employees and agents are alerted to their required compliance with the disclosure limitations under North Dakota law for confidential information, particularly the confidentiality provisions of N.D.C.C § 44-04-18.4 and 44-04-18.5.

9. Section 12.4, Publicity, is deleted in its entirety and replaced with:

You agree that Novell may not use your participation in the MLA Program as a commercial reference without your express written consent.

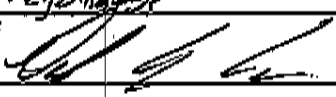
10. Insert new Section 12.12, Independent Entity, as follows:

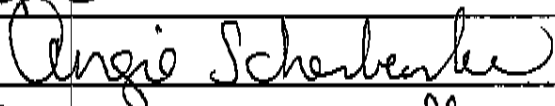
Novell is an independent entity under this Agreement and is not a State of North Dakota employee for any purpose. Novell retains sole and absolute discretion in the manner and means of carrying out its activities and responsibilities under the Agreement, except to the extent specified therein.

This Amendment and the Master License Agreement, as may be amended, set forth the entire agreement between the parties with respect to the subject matter of all previous communications, representations or agreements, whether oral or written, with respect to the subject matter hereof.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date of execution by Contractor below.

EXECUTION

CONTRACTOR NAME	Novell, Inc.
ADDRESS	1800 S. Novell Place, Provo, UT 84606
BY ITS	<i>Negotiator</i>
SIGNATURE	
TITLE	<i>Contract Negotiator</i>
DATE	<i>6/30/06</i>

STATE OF NORTH DAKOTA acting through its	Office of Management and Budget, State Procurement Office
ADDRESS	14th floor Capitol Tower, 600 E. Boulevard Ave. Dept. 012, Bismarck, ND 58505-0310
BY ITS	<i>SRO</i>
SIGNATURE	
TITLE	<i>Procurement Officer II</i>
DATE	<i>6.27.06</i>